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YCIH Green High-Performance Concrete Company Limited
雲南建投綠色高性能混凝土股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 1847)

2026 INTERIM RESULTS ANNOUNCEMENT

FINANCIAL SUMMARY:

Currency: RMB million

Items	**January-June 2026 (Unaudited)**	January-June 2025 (Unaudited)	Change in percentage
Operating income	**655.5**	556.9	17.7%
Gross profit	**68.2**	60.0	13.7%
Total profit (Total losses are shown with "-")	**-63.6**	-17.7	259.3%
Net profit (Net losses are shown with "-")	**-49.6**	-20.7	139.6%
Net profit attributable to owners of the parent company (Net losses are shown with "-")	**-42.4**	-17.8	138.2%
Basic earnings per share (RMB)	**-0.09**	-0.04	125.0%

Note:

The unaudited consolidated financial statements and interim results of the Group for the six months ended June 30, 2026 have been prepared in accordance with PRC ASBE and related regulations.

The Board announced the unaudited consolidated interim results of the Group for the six months ended June 30, 2026, together with comparative figures for the same period in 2025, as follows:

CONSOLIDATED INCOME STATEMENT

For the six months ended June 30, 2026

Currency: RMB

Items	Note	**January-June 2026 (Unaudited)**	January-June 2025 (Unaudited)
I. Total operating income		**655,547,452.88**	556,853,313.53
Including: Operating income	*4*	**655,547,452.88**	556,853,313.53
II. Total operating costs		**648,103,930.46**	556,195,751.84
Including: Operating costs		**587,256,770.19**	496,928,737.63
Taxes and surcharges		**4,834,131.25**	3,476,431.01
Selling expenses		**7,662,555.92**	6,998,053.21
Administrative expenses		**35,780,247.33**	34,820,175.98
Research and development expenses		**4,287,283.13**	3,441,655.90
Financial expenses	*5*	**8,282,942.64**	10,530,698.11
Including: Interest expenses		**7,656,021.82**	10,616,295.21
Interest income		**56,956.17**	215,250.64
Add: Other income	*6*	**3,987,451.15**	4,510,572.45
Investment income (Losses are shown with "-")	*7*	**9,315,440.94**	-752,561.60
Including: Income from investments in associates and joint ventures			
Gains on derecognition of financial assets measured at amortized cost		**-237,326.06**	-752,561.60
Net exposure hedge gains (Losses are shown with "-")			
Gains on changes in fair value (Losses are shown with "-")			
Credit impairment losses (Losses are shown with "-")	*8*	**-83,321,352.81**	-22,726,885.31
Impairment losses on assets (Losses are shown with "-")			
Gains on asset disposal (Losses are shown with "-")	*9*	**58,510.09**	4,594.91

Items		*Note*	**January-June 2026 (Unaudited)**	January-June 2025 (Unaudited)
III.	**Operating profit (Losses are shown with "-")**		**-62,516,428.21**	-18,306,717.86
	Add: Non-operating income	*10*	**878,982.58**	2,276,966.28
	Less: Non-operating expenses	*11*	**1,963,246.10**	1,648,833.74
IV.	**Total profit (Total losses are shown with "-")**		**-63,600,691.73**	-17,678,585.32
	Less: Income tax expenses	*12*	**-13,982,055.25**	2,989,875.59
V.	**Net profit (Net losses are shown with "-")**		**-49,618,636.48**	-20,668,460.91
	1. Classified by continuity of operations		**-49,618,636.48**	-20,668,460.91
	(1) Net profit from continuing operations (Net losses are shown with "-")		**-49,618,636.48**	-20,668,460.91
	(2) Net profit from discontinued operations (Net losses are shown with "-")			
	2. Classified by the attribution of ownership		**-49,618,636.48**	-20,668,460.91
	(1) Net profit attributable to owners of the parent company (Net losses are shown with "-")		**-42,365,117.16**	-17,799,262.85
	(2) Gains or losses on non-controlling interests (Net losses are shown with "-")		**-7,253,519.32**	-2,869,198.06
VI.	**Net other comprehensive income after tax**			
	Net after-tax amount of other comprehensive income attributable to owners of the parent company			
	1. Other comprehensive income that cannot be reclassified to profit or loss			
	2. Other comprehensive income to be reclassified to profit or loss			
	Net after-tax amount of other comprehensive income attributable to non-controlling interests			
VII.	**Total comprehensive income**		**-49,618,636.48**	-20,668,460.91
	Total comprehensive income attributable to owners of the parent company		**-42,365,117.16**	-17,799,262.85
	Total comprehensive income attributable to non-controlling interests		**-7,253,519.32**	-2,869,198.06
VIII.	**Earnings per share:**			
	1. Basic earnings per share	*13*	**-0.09**	-0.04
	2. Diluted earnings per share	*13*	**-0.09**	-0.04

CONSOLIDATED BALANCE SHEET

As at June 30, 2026

Currency: RMB

Items	*Note*	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)
Current assets:			
Monetary funds		**90,268,115.40**	86,503,776.12
Financial assets held for trading			
Derivative financial assets			
Notes receivable		**62,396,727.66**	32,528,306.31
Accounts receivable	*15*	**2,835,574,104.25**	2,882,389,048.29
Receivables financing		**946,891.27**	2,002,119.32
Prepayments		**8,804,352.74**	8,733,425.59
Other receivables		**53,947,820.50**	75,759,349.61
Including: Interest receivable			
Dividends receivable			
Inventories		**26,131,174.37**	20,860,010.42
Contract assets			
Assets held for sale			
Non-current assets due within one year			
Other current assets		**22,917,756.14**	21,523,795.24
Total current assets		**3,100,986,942.33**	3,130,299,830.90

Items	*Note*	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)
Non-current assets:			
Debt investments			
Other debt investments			
Long-term receivables			
Long-term equity investments			
Investments in other equity instruments			
Other non-current financial assets			
Investment properties		**1,399,220.79**	1,526,422.68
Fixed assets		**213,257,115.75**	231,798,817.10
Construction in progress		**5,584,680.44**	1,299,966.88
Productive biological assets			
Oil and gas assets			
Right-of-use assets		**32,446,872.72**	38,466,324.21
Intangible assets		**38,677,476.88**	39,279,033.85
Development expenses			
Goodwill			
Long-term deferred expenses		**2,175,776.75**	772,043.05
Deferred tax assets		**111,825,949.88**	97,453,017.43
Other non-current assets		**800,000.00**	800,000.00
Total non-current assets		**406,167,093.21**	411,395,625.20
Total assets		**3,507,154,035.54**	3,541,695,456.10

Items	*Note*	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)
Current liabilities:			
Short-term borrowings		**262,040,942.66**	344,142,057.23
Financial liabilities held for trading			
Derivative financial liabilities			
Notes payable		**5,050,000.00**	29,990,000.00
Accounts payable	*16*	**1,724,041,703.44**	1,702,965,584.46
Advances from customers			
Contract liabilities		**13,557,310.14**	7,586,635.64
Employee benefits payable		**110,315,542.79**	121,719,914.97
Taxes and dues payable		**10,384,359.55**	13,937,072.30
Other payables		**228,710,110.77**	193,363,502.94
Including: Interest payable			
Dividends payable		**11,100,291.10**	11,100,291.10
Liabilities held for sale			
Non-current liabilities due within one year		**43,923,638.34**	28,181,050.58
Other current liabilities		**1,762,450.33**	1,116,986.80
Total current liabilities		**2,399,786,058.02**	2,443,002,804.92

Items	*Note*	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)
Non-current liabilities:			
Long-term borrowings		**71,103,390.68**	12,204,002.07
Bonds payable			
Including: Preference shares			
Perpetual bonds			
Lease liabilities		**15,725,221.14**	20,480,059.58
Long-term payables			
Long-term employee benefits payable			
Provisions		**5,282,711.56**	2,085,379.09
Deferred income			
Deferred tax liabilities			
Other non-current liabilities			
Total non-current liabilities		**92,111,323.38**	34,769,440.74
Total liabilities		**2,491,897,381.40**	2,477,772,245.66
Shareholders' equity:			
Share capital		**446,272,000.00**	446,272,000.00
Other equity instruments			
Including: Preference shares			
Perpetual bonds			
Capital reserve		**303,383,982.18**	303,383,982.18
Less: Treasury shares			
Other comprehensive income			
Special reserve		**9,967,747.20**	9,066,657.76
Surplus reserve		**94,909,590.28**	94,909,590.28
Undistributed profit		**77,968,038.47**	120,333,155.63
Total shareholders' equity attributable to the parent company		**932,501,358.13**	973,965,385.85
Non-controlling interests		**82,755,296.01**	89,957,824.59
Total shareholders' equity		**1,015,256,654.14**	1,063,923,210.44
Total liabilities and shareholders' equity		**3,507,154,035.54**	3,541,695,456.10

NOTES TO THE FINANCIAL STATEMENTS

For the six months ended June 30, 2026

1. BASIC INFORMATION OF THE COMPANY

YCIH Green High-Performance Concrete Company Limited (hereinafter referred to as the "**Company**", and collectively as the "**Group**" when including subsidiaries) is a limited liability company incorporated in Yunnan Province, People's Republic of China on June 19, 2007 by YNJG Green High-Performance Concrete Co. Ltd. As at June 30, 2026, the registered capital of the Company was RMB446,272,000.00. The registered address is beside Zhaotong Avenue, Zhaoyang District, Zhaotong City, Yunnan Province (Yunnan Construction Investment Zhaotong Development Building).

The H Shares issued by the Company have been listed on the Main Board of the Hong Kong Stock Exchange from October 31, 2019 onwards.

The Group operates in the manufacturing industry and is primarily engaged in the R&D, production, and sales of ready-mixed commercial concrete, along with upstream and downstream building materials such as cement, aggregates, admixtures, and prefabricated components. At the same time, the Group is vigorously advancing the comprehensive utilization of solid waste resources, with an emphasis on phosphogypsum, by researching and developing, producing, and selling new materials such as phosphogypsum aggregates and coatings. The Group is also actively promoting the charging and swapping business for new energy heavy trucks, and providing commissioned processing, quality technical services, management services, and other related business.

The parent company of the Company is Yunnan Construction and Investment Holding Group Co., Ltd. and the ultimate controlling party is the State-owned Assets Supervision and Administration Commission of Yunnan Provincial People's Government.

Save as otherwise specified, these notes to the financial statements are presented in RMB.

2. BASIS FOR THE PREPARATION OF FINANCIAL STATEMENTS

2.1 Basis for the preparation of financial statements

The Group's financial statements have been prepared based on transactions and events that have actually occurred, in accordance with the PRC ASBE issued by the Ministry of Finance of the PRC and related regulations, and the relevant disclosures required by the Hong Kong Companies Ordinance and the Hong Kong Listing Rules, and in accordance with the accounting policies and accounting estimates described in "Significant accounting policies and accounting estimates".

2.2 Going concern

The Group incurred consecutive losses from 2023 to 2025 and the first half of 2026, and approximately RMB64.2768 million of funds were frozen as at June 30, 2026, due to litigation and other matters. These matters or circumstances indicate material uncertainties that may cast significant doubt on the Group's ability to continue as a going concern. In response to the significant doubts regarding the Group's ability to continue as a going concern mentioned above, the Group intends to take the following measures to ameliorate the situation:

Firstly, the Group strives to promote steady growth in operating income. It adheres to the leading role of business development. While continuously consolidating the building materials business, it intensifies efforts to develop businesses such as solid waste and new materials, as well as new energy charging and swapping, to ensure the completion of the annual target for new contract signings, thereby laying a foundation for the growth of operating income. The Company adheres to refined management, continuously strengthens production and supply organization guarantees, and product quality and service guarantees, and strives to achieve “secondary marketing” for major projects under construction to drive the growth of operating income.

Secondly, the Group strives to achieve new results in collection efforts. Building on the achievement of collecting amounts exceeding the operating income for four consecutive years (2022 to 2025), it further innovates collection methods, intensifies efforts, and optimizes incentive mechanisms to ensure a continuous decline in the balance of accounts receivable.

Thirdly, the Group will make every effort to advance risk prevention and debt resolution solidly. It establishes a robust system of rules and regulations that integrates compliance management with risk control, and improves classified and graded risk prevention and control. The Group pays close attention to risk prevention and control in key areas such as legal affairs, finance, and business operations, anticipates and promptly prevents and resolves major risks in advance, ensuring the stable operation of production, business operation management, and various other work.

The Board believes the above improvement measures are feasible and effective. Accordingly, the financial statements of the Reporting Period of the Group have been prepared on a going concern basis.

3. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES

Specific accounting policies and accounting estimates formulated by the Group in accordance with the actual production and operation characteristics include the operating cycle, recognition and measurement of bad debt provision for receivables, classification of fixed assets and depreciation methods, amortization of intangible assets, recognition of provisions, and recognition and measurement of income.

The accounting policies used in preparing the interim consolidated financial information are consistent with those adopted in the Group’s annual consolidated financial statements for the year ended December 31, 2025. However, in preparing the financial information for the current reporting period, the Group applied, for the first time, Interpretation No.19 and Interpretation No. 20 of the Accounting Standards for Business Enterprises issued by the Ministry of Finance of the PRC on December 5, 2025 and June 4, 2026 respectively, both of which became effective from January 1, 2026.

The application of the above-mentioned Interpretations of the PRC ASBE of the PRC during the current interim period, which were newly issued by the Ministry of Finance and have become effective, has no material impact on the Group’s financial position and operating results for the current and prior periods, nor on the relevant disclosures contained in this interim consolidated financial information.

4. SEGMENT INFORMATION AND TOTAL OPERATING INCOME

4.1 Operating segment information

The Group’s income and contribution to consolidated results mainly arise from the R&D, production, and sales of ready-mixed commercial concrete, along with upstream and downstream building materials such as cement, aggregates, admixtures, and prefabricated components. These are treated as a single operating segment in a manner consistent with the way in which information used as a basis for the management of resources and the appraisal of performance is reported internally to the senior management of the Group. In addition, all assets used by the Group are located in Chinese Mainland. Therefore, apart from disclosures relating to the entity as a whole, no segment information is presented on the basis of profit, assets, or liabilities.

4.2 Operating income

The Group is primarily engaged in the R&D, production, and sales of ready-mixed commercial concrete, along with upstream and downstream building materials such as cement, aggregates, admixtures, and prefabricated components. The Group's operating income is analyzed as follows:

Items	**January-June 2026 (Unaudited)**	January-June 2025 (Unaudited)
Sales of building materials	**613,361,390.43**	538,905,684.46
Sales of solid waste and new materials	**3,338,063.46**	6,286,693.49
Services	**31,125,355.39**	10,492,741.94
New energy charging and swapping	**1,672,517.18**	979,384.49
Other businesses	**6,050,126.42**	188,809.15
Total	**655,547,452.88**	556,853,313.53

5. FINANCIAL EXPENSES

Items	**January-June 2026 (Unaudited)**	January-June 2025 (Unaudited)
Interest expenses	**7,656,021.82**	10,616,295.21
Less: Interest income	**56,956.17**	215,250.64
Add: Net loss on exchange	**39,452.23**	16,032.67
Other expenses	**644,424.76**	113,620.87
Total	**8,282,942.64**	10,530,698.11

6. OTHER INCOME

Sources of other income	**January-June 2026 (Unaudited)**	January-June 2025 (Unaudited)
Government grants	**3,427,597.71**	3,003,836.51
Individual income tax handling fee refund	**38,251.76**	20,396.53
Additional deduction for value-added tax	**521,601.68**	1,486,245.78
Tax relief		93.63
Total	**3,987,451.15**	4,510,572.45

7. INVESTMENT INCOME

Sources of investment income	**January-June 2026 (Unaudited)**	January-June 2025 (Unaudited)
Discount loss on receivables financing that meets the conditions for derecognition	**-237,326.06**	-752,561.60
Investment income arising from debt restructuring	**9,552,767.00**	
Total	**9,315,440.94**	-752,561.60

8. CREDIT IMPAIRMENT LOSSES

Items	**January-June 2026 (Unaudited)**	January-June 2025 (Unaudited)
Bad debt losses on notes receivable	**-32,015.17**	-32,684.00
Bad debt losses on accounts receivable	**-82,698,887.76**	-20,290,345.47
Bad debt losses on other receivables	**-590,449.88**	-2,403,855.84
Total	**-83,321,352.81**	-22,726,885.31

9. GAINS ON ASSET DISPOSAL

Items	**January-June 2026 (Unaudited)**	January-June 2025 (Unaudited)
Gain on disposal of fixed assets	**38,433.63**	
Gain on disposal of right-of-use assets	**20,076.46**	4,594.91
Total	**58,510.09**	4,594.91

10. NON-OPERATING INCOME

Items	**January-June 2026 (Unaudited)**	January-June 2025 (Unaudited)
Gain on destruction and scrapping of non-current assets	**29,105.25**	241,788.29
Litigation gains	**387,819.54**	1,642,519.99
Income from fines	**120,024.12**	8,202.60
Others	**342,033.67**	384,455.40
Total	**878,982.58**	2,276,966.28

11. NON-OPERATING EXPENSES

Items	**January-June 2026 (Unaudited)**	January-June 2025 (Unaudited)
Losses on destruction and scrapping of non-current assets	**138,632.77**	33,350.55
Litigation losses	**1,249,787.72**	1,582,908.88
Expenditures on fines	**358,065.25**	38,618.38
Others	**216,760.36**	-6,044.07
Total	**1,963,246.10**	1,648,833.74

12. INCOME TAX EXPENSES

Items	**January-June 2026 (Unaudited)**	January-June 2025 (Unaudited)
Income tax expenses for the period	**390,877.20**	990,557.21
Deferred tax expenses	**-14,372,932.45**	1,999,318.38
Total	**-13,982,055.25**	2,989,875.59

The Company and its subsidiaries, Polymer Company, Qujing Building Material and Yuxi Building Material have the qualification of High-tech Enterprises, and are subject to the preferential income tax rate of 15% for the period from January to June 2026 and the period from January to June 2025. Baoshan Building Material is subject to the policy for the development of the western region for the period from January to June 2026 and the period from January to June 2025, and therefore, it is entitled to the preferential income tax rate of 15%. Other subsidiaries are subject to an applicable income tax rate of 25%.

13. EARNINGS PER SHARE:

Items	**January-June 2026 (Unaudited)**	January-June 2025 (Unaudited)
Net profit attributable to owners of the parent company	**-42,365,117.16**	-17,799,262.85
Weighted average of the issued ordinary shares	**446,272,000.00**	446,272,000.00
Basic earnings per share	**-0.09**	-0.04
Diluted earnings per share	**-0.09**	-0.04

14. DIVIDEND

On August 26, 2025, the Board did not propose the distribution of an interim dividend for the six months ended June 30, 2025.

On March 30, 2026, the Board did not propose the distribution of a final dividend for 2025.

On August 26, 2026, the Board did not propose the distribution of an interim dividend for the six months ended June 30, 2026.

15. ACCOUNTS RECEIVABLE

Items	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)
Accounts receivable	**3,247,765,295.84**	3,211,881,352.12
Less: Bad debt provision for accounts receivable	**412,191,191.59**	329,492,303.83
Total	**2,835,574,104.25**	2,882,389,048.29

The aging analysis of accounts receivable as at June 30, 2026 based on transaction dates is as follows:

Aging	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)
Within 1 year (including 1 year)	**1,067,329,244.80**	1,010,170,860.62
1-2 years	**431,108,182.07**	437,280,153.40
2-3 years	**424,333,171.94**	525,885,819.70
3-4 years	**475,114,034.63**	542,128,033.85
4-5 years	**495,143,261.99**	464,602,945.44
Over 5 years	**354,737,400.41**	231,813,539.11
Total	**3,247,765,295.84**	3,211,881,352.12

16. ACCOUNTS PAYABLE

The aging analysis of accounts payable as at June 30, 2026 based on transaction dates is as follows:

Aging	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)
Within 1 year (including 1 year)	**1,136,721,569.67**	976,851,418.05
1-2 years	**188,922,848.89**	224,860,552.27
2-3 years	**101,064,822.89**	159,368,430.56
Over 3 years	**297,332,461.99**	341,885,183.58
Total	**1,724,041,703.44**	1,702,965,584.46

MANAGEMENT DISCUSSION AND ANALYSIS

I. INDUSTRY OVERVIEW

In the first half of 2026, the national economy operated within a reasonable range, with GDP growing by 4.7% period-on-period. The economy of Yunnan Province maintained overall stability, with its regional GDP growing by 2.5% period-on-period. However, affected by factors such as the persistently weak infrastructure investment and the continuous significant decline in real estate development investment, the market demand for concrete continued to weaken. According to the statistical data from the National Bureau of Statistics of China (國家統計局), from January to June 2026, the national fixed asset investment (excluding rural households) experienced a decrease of 5.7% period-on-period, infrastructure investment decreased by 2.4% period-on-period, and the real estate development investment witnessed a decline of 18.0% period-on-period. In the first half of 2026, the national cement output amounted to 736 million tons, representing a period-on-period decrease of 8.0%, indicating an overall weak market demand for building materials. According to the statistical data from the Yunnan Provincial Bureau of Statistics（雲南省統計局）, Yunnan Province's fixed asset investment (excluding rural households) decreased by 9.7% period-on-period, and the real estate development investment dropped by 9.0% period-on-period, with downward pressure on investment further intensifying. In addition, according to the statistics and analysis from the China Concrete & Cement-based Products Association (中國混凝土與水泥製品協會), from January to June 2026, the cumulative output of commercial concrete nationwide decreased by 12.9% period-on-period. The principal business income of the concrete and cement-based products industry above designated scale decreased by 22.2% period-on-period, and the total profit dropped by 100.6% period-on-period. As upstream demand continued to contract, prices and profitability in the concrete industry remained under pressure, and the external environment for the development of the concrete industry in China and Yunnan Province remained complex and challenging.

II. BUSINESS OVERVIEW

(I) Overview

The Company is a building materials supplier mainly engaged in ready-mixed commercial concrete located in Yunnan Province and is also a National High-Tech Enterprise. We have a team with extensive management experience and robust technical capabilities, and have powerful research and development capabilities with an integration of technical research and development, results promotion and application and technical services. We have introduced modernized, scientific and green and environmentally-friendly manufacturing concepts into our production, and lead and drive the technological progress and green and low-carbon development in the concrete industry of Yunnan Province. In recent years, the Company has continued to carry out transformation and upgrading. While focusing on the research and development, production, and sales of ready-mixed commercial concrete as its core as well as building materials for upstream and downstream products such as cement, aggregates, admixtures, and prefabricated components, the Company has also vigorously expanded the comprehensive utilization of solid waste resources, particularly Phosphogypsum, which includes the research and development, production, and sales of new materials such as Phosphogypsum aggregates and coatings. Additionally, the Company has also actively promoted the charging and swapping business for new energy heavy trucks, and provided services such as commissioned processing, quality and technology services, and management services, basically forming the production capacity layout for synchronous business development covering the east, west, south and north markets in the main urban area of Kunming, as well as prefectures and cities in Yunnan Province. Our business scope covers housing construction and infrastructure construction, including railways, highways, integrated pipeline networks and other projects. We have established a complete industrial chain of "technical research and development, resource processing, production and sales".

As at June 30, 2026, the Group had 36 concrete batching plants and 71 production lines with an annual production capacity of approximately 18.00 million m^3. The Group also had a total of 303 vehicles including concrete mixer trucks, loaders, aggregate transporters, bulk material transporters, etc., among which 141 were electric vehicles (including 7 unmanned electric loaders), along with 1 rooftop distributed photovoltaic power station, 1 integrated energy station of charging, swapping and storing for heavy trucks, 3 mini power swapping stations and 22 charging stations.

(II) Results of operation and financial review

1. General information

For the six months ended June 30, 2026, the Group is principally engaged in five major businesses: namely building materials business, solid waste and new materials business, new energy charging and swapping business, services business and other businesses. The Group recorded an operating income of approximately RMB655.5 million, representing a period-on-period increase of 17.7%; a total profit of approximately RMB-63.6 million, representing a period-on-period increase in losses of 259.3%; a net profit of approximately RMB-49.6 million, representing a period-on-period increase in losses of 139.6%; and a net profit attributable to owners of the parent company of approximately RMB-42.4 million, representing a period-on-period increase in losses of 138.2%.

2. Operating income

For the six months ended June 30, 2026, the Group recorded an operating income of approximately RMB655.5 million, representing an increase of approximately RMB98.6 million or 17.7% compared to the same period in 2025.

(1) By business category

The following table sets forth the breakdown of the operating income by business category of the Group for the six months ended June 30, 2026 and the six months ended June 30, 2025:

Business	**For the six months ended June 30, 2026** *RMB million*	***Percentage of operating income***	For the six months ended June 30, 2025 *RMB million*	*Percentage of operating income*
Building materials	**613.3**	**93.6%**	538.9	96.8%
Solid waste and new materials	**3.3**	**0.5%**	6.3	1.1%
New energy charging and swapping	**1.7**	**0.3%**	1.0	0.2%
Services	**31.1**	**4.7%**	10.5	1.9%
Others	**6.1**	**0.9%**	0.2	0.0%
Total	**655.5**	**100.0%**	556.9	100.0%

In terms of business category, for the six months ended June 30, 2026, the Group's growth in operating income was mainly due to the increase in the operating income of the building materials business. Of which, the operating income from the building materials business was approximately RMB613.3 million, accounting for 93.6% of the operating income, representing an increase of approximately RMB74.5 million or 13.8%, compared with the same period in 2025. The growth was mainly attributed to the sales volume of ready-mixed concrete in the building materials rising from 2.166 million m^3 (including external production, processing and technical service volume) in the first half of 2025 to 2.537 million m^3 (including external production and processing volume) in the first half of 2026, representing a period-on-period increase of 17.1%. However, this was partially offset by a decrease in the average price, which fell by 2.0% compared to the same period in 2025, leading to an increase of 14.8% in income from ready-mixed concrete sales within the building materials business.

(2) By customer category

The following table sets forth the breakdown of the operating income by customer category of the Group for the six months ended June 30, 2026 and the six months ended June 30, 2025:

Customer	**For the six months ended June 30, 2026** *RMB million*	***Percentage of operating income***	For the six months ended June 30, 2025 *RMB million*	*Percentage of operating income*
Independent third-party customers	**253.8**	**38.7%**	230.4	41.4%
Connected customers	**401.7**	**61.3%**	326.5	58.6%
Total	**655.5**	**100.0%**	556.9	100.0%

In terms of customer category, for the six months ended June 30, 2026, the Group's growth in operating income was mainly attributed to the increase in operating income from connected customers. Of which, the operating income from connected customers was approximately RMB401.7 million, accounting for 61.3% of the operating income, and representing an increase of approximately RMB75.2 million or 23.0%, compared with the same period in 2025. Such increases were mainly attributed to increased operating income from Yuanmou-Dayao Highway Project and Deqin County Disaster Avoidance Relocation Project undertaken by the Group for connected customers.

3. Operating costs

For the six months ended June 30, 2026, the Group recorded operating costs of approximately RMB587.3 million, representing an increase of approximately RMB90.4 million or 18.2%, compared with the same period in 2025. The increase in operating costs was mainly attributed to the increase in sales volume of ready-mixed concrete in the building materials during the Reporting Period.

The following table sets forth the breakdown of the operating costs by business category of the Group for the six months ended June 30, 2026 and the six months ended June 30, 2025:

	For the six months ended June 30, 2026		For the six months ended June 30, 2025	
Business	***RMB million***	***Percentage of operating costs***	*RMB million*	*Percentage of operating costs*
Building materials	**550.1**	**93.7%**	479.5	96.5%
Solid waste and new materials	**5.7**	**1.0%**	4.9	1.0%
New energy charging and swapping	**1.8**	**0.3%**	1.0	0.2%
Services	**24.2**	**4.1%**	11.4	2.3%
Others	**5.5**	**0.9%**	0.1	0.0%
Total	**587.3**	**100.0%**	496.9	100.0%

4. Gross profit and gross margin

The following table sets forth the breakdown of gross profit and gross margin by business category of the Group for the six months ended June 30, 2026 and the six months ended June 30, 2025.

	For the six months ended June 30,					
	2026 *(RMB million)*		2025 *(RMB million)*			
Business	**Gross profit**	**Gross margin**	Gross profit	Gross margin	**Change in gross profit**	**Change in percentage of gross margin**
Building materials	**63.2**	**10.3%**	59.4	11.0%	6.4%	-0.7
Solid waste and new materials	**-2.4**	**-72.7%**	1.4	22.2%	-271.4%	-94.9
New energy charging and swapping	**-0.1**	**-5.9%**	0.0	2.5%	–	-8.4
Services	**6.9**	**22.2%**	-0.9	-8.6%	866.7%	30.8
Others	**0.6**	**9.8%**	0.1	50.0%	500.0%	-40.2
Total	**68.2**	**10.4%**	60.0	10.8%	13.7%	-0.4

During the Reporting Period, the Group recorded a gross profit of approximately RMB68.2 million (for the six months ended June 30, 2025: approximately RMB60.0 million), and the overall gross margin for the first half of 2026 was approximately 10.4%, representing a decrease of 0.4 percentage point compared to the corresponding period of 2025. Such a decrease in gross margin was mainly due to the increase in operating income by approximately 17.7% compared to the corresponding period of 2025, whereas the operating costs increased by approximately 18.2% compared to the corresponding period of 2025, which led to a lower increase magnitude of operating income than that of operating costs.

In terms of business category, in the first half of 2026, the Group's gross margin was 10.3% for the building materials business, -72.7% for the solid waste and new materials business, -5.9% for the new energy charging and swapping business, 22.2% for the services business and 9.8% for the other businesses. In particular, the significant decline in the gross margin of the solid waste and new materials business was primarily due to the Group's increased its continued investment in the Phosphogypsum business during the first half of 2026. As this business is in its initial operational phase and is relatively small in scale, its operating income has not yet been sufficient to cover the initial investment costs.

5. Total profit and net profit

For the six months ended June 30, 2026, the Group recorded a total profit of approximately RMB-63.6 million, representing a period-on-period increase in losses of 259.3%, and a net profit of approximately RMB-49.6 million, representing a period on-period increase in losses of 139.6%, and a net profit attributable to owners of the parent company of approximately RMB-42.4 million, representing a period-on-period increase in losses of 138.2%. These changes were primarily attributable to the Group's provision for credit impairment losses on receivables of approximately RMB83.3 million during the Reporting Period, representing an increase of approximately RMB60.6 million compared to the provision for credit impairment losses on receivables (approximately RMB22.7 million) for the same period in 2025.

6. Basic earnings per share

For the six months ended June 30, 2026, the basic earnings per share of the Group were approximately RMB-0.09.

7. Income tax expense

For the six months ended June 30, 2026, the income tax expense of the Group was approximately RMB-14.0 million.

8. Period costs

For the six months ended June 30, 2026, the Group's period costs amounted to approximately RMB56.1 million, an increase of RMB0.4 million or 0.7%, compared with the same period in 2025. Among them, selling expenses amounted to approximately RMB7.7 million, an increase of RMB0.7 million or 10.0%, compared with the same period in 2025; administrative expenses amounted to approximately RMB35.8 million, an increase of RMB1.0 million or 2.9%, compared with the same period in 2025; research and development expenses amounted to approximately RMB4.3 million, an increase of RMB0.9 million or 26.5%, compared with the same period in 2025, primarily due to the Group's increased investment in research and development during the first half of 2026; financial expenses amounted to approximately RMB8.3 million, a decrease of RMB2.2 million or 21.0%, compared with the same period in 2025, primarily due to the decrease in financing interest expenses following the Group's efforts to control the scale of its financing.

	For the six months ended June 30,			
Expenses categories	**2026** ***(RMB million)***	2025 *(RMB million)*	Amount change *(RMB million)*	Percentage change
Selling expenses	**7.7**	7.0	0.7	10.0%
Administrative expenses	**35.8**	34.8	1.0	2.9%
Research and development expenses	**4.3**	3.4	0.9	26.5%
Financial expenses	**8.3**	10.5	-2.2	-21.0%
Total	**56.1**	55.7	0.4	0.7%

9. Assets and liabilities

As at June 30, 2026, the total assets of the Group were approximately RMB3,507.2 million (December 31, 2025: approximately RMB3,541.7 million), representing a decrease of 1.0% as compared with that as at the end of 2025. The main components of total assets are as follows (in descending order):

	As at June 30, 2026		As at December 31, 2025	
Assets categories	***RMB million***	***Percentage of total assets***	*RMB million*	*Percentage of total assets*
Accounts receivable	**2,835.6**	**80.9%**	2,882.4	81.4%
Fixed assets	**213.3**	**6.1%**	231.8	6.5%
Deferred tax assets	**111.8**	**3.2%**	97.5	2.8%
Total	**3,160.7**	**90.2%**	3,211.7	90.7%

As at June 30, 2026, the total liabilities of the Group were approximately RMB2,491.9 million (December 31, 2025: approximately RMB2,477.8 million), representing an increase of 0.6% from the end of 2025. The main components of total liabilities are as follows (in descending order):

	As at June 30, 2026		As at December 31, 2025	
Liabilities categories	***RMB million***	***Percentage of total liabilities***	*RMB million*	*Percentage of total liabilities*
Accounts payable	**1,724.0**	**69.2%**	1,703.0	68.7%
Bank borrowings	**349.0**	**14.0%**	361.4	14.6%
Other payables	**228.7**	**9.2%**	193.4	7.8%
Total	**2,301.7**	**92.4%**	2,257.8	91.1%

As at June 30, 2026, the gearing ratio (i.e. total liabilities divided by total assets) of the Group was 71.1% (December 31, 2025: 70.0%).

10. Borrowings and solvency

As at June 30, 2026, the total borrowings of the Group were approximately RMB349.0 million (December 31, 2025: approximately RMB361.4 million), all of which were bank borrowings. Of this amount, approximately RMB277.9 million were repayable within one year, and approximately RMB71.1 million were repayable within 2-5 years.

As at June 30, 2026, the weighted average effective interest rate for bank borrowings of the Group was 4.0%. For the six months ended June 30, 2026, the total interest expenses of the Group were approximately RMB7.7 million (for the six months ended June 30, 2025: approximately RMB10.6 million) and the profit before interest and tax was approximately RMB-55.9 million (for the six months ended June 30, 2025: approximately RMB-7.1 million). Therefore, the interest coverage ratio (profit before interest and tax divided by interest expenses) was -7.3 (for the six months ended June 30, 2025: -0.7), primarily due to a significant period-on-period increase in losses during the first half of 2026.

11. Liquidity and capital resources

The Group attaches importance to financial management, focuses on maintaining a stable financial policy and a reasonable capital structure, and strictly manages its treasury affairs with safety as prerequisite.

The capital resources of the Group mainly include cash flows generated from operation activities, loans from financial institutions and its own funds, which are mainly used for operating expenses. For the six months ended June 30, 2026, the Group's receipts were denominated in RMB, and its payments were primarily denominated in RMB. In addition, the Group deposits cash and cash equivalents with recognized financial institutions in the PRC and adopted a conservative cash management and investment strategy for funds without designated uses, in order to balance liquidity and interest rate fluctuation risks. No financial instruments were used by the Group for hedging purposes.

As at June 30, 2026, the current assets of the Group were approximately RMB3,101.0 million (December 31, 2025: approximately RMB3,130.3 million), and a current ratio (current assets divided by current liabilities) of 129.2% (December 31, 2025: 128.1%). The main components of current assets are as follows (in descending order):

	As at June 30, 2026		As at December 31, 2025	
Current assets categories	***RMB million***	***Percentage of current assets***	*RMB million*	*Percentage of current assets*
Accounts receivable	**2,835.6**	**91.4%**	2,882.4	92.1%
Monetary funds	**90.3**	**2.9%**	86.5	2.8%
Notes receivable	**62.4**	**2.0%**	32.5	1.0%
Total	**2,988.3**	**96.3%**	3,001.4	95.9%

For the six months ended June 30, 2026, net cash outflow from operating activities was approximately RMB45.0 million (for the six months ended June 30, 2025: net cash outflow of approximately RMB16.2 million), of which cash inflow from operating activities amounted to approximately RMB371.4 million (for the six months ended June 30, 2025: approximately RMB570.3 million); cash outflow from operating activities stood at approximately RMB416.4 million (for the six months ended June 30, 2025: approximately RMB586.5 million). These changes were mainly due to the significant decrease in both cash inflows and outflows from the Group's operating activities during the Reporting Period as compared with the same period in 2025, with the decrease in cash outflows from operating activities (approximately RMB170.1 million) being lower than the decrease in cash inflows (approximately RMB198.9 million), resulting in an increase of approximately RMB28.8 million in net cash outflow from operating activities.

(III) Major operation and management measures

1. Key projects steadily advanced, with market expansion precise and effective

In the first half of 2026, the Group remained focused on market expansion and resource integration, strengthened the management of key projects and the exploration of external markets, and continued to implement targeted measures. **Firstly,** key projects yielded tangible results. The Group successfully secured major projects including the Kunming Changshui International Airport Landside Road and Bridge Project and Viaduct Project, the supporting facilities for the Anning Industrial Park, and the Discipline Inspection and Supervision College of Yunnan Normal University. Projects under construction, such as the Yuanmou–Dayao Highway, the Deqin County relocation, and the Kunming Changshui International Airport Reconstruction and Expansion, were executed smoothly with strong contract performance, ensuring sustainable business growth. **Secondly,** regional markets flourished across multiple areas, with the completion rates of newly signed contract value exceeding 50% in Baoshan, Kunming, Zhaotong, and other regions. A number of high-quality projects were secured, including Zhaoyang Yuefu, Baoshan Qingyang Jun, and the urban village renovation project in the Zhaozong Area of Wuhua District, accelerating the formation of a business landscape featuring "flagship projects as the engine, supported by growth across multiple regions". **Thirdly,** the Group's admixtures and green building materials products successfully entered the Guizhou and Guangxi markets, marking its initial breakthrough into markets beyond Yunnan Province and accumulating valuable experience for the future large-scale expansion into such markets.

2. Green momentum accelerates its buildup, and the industrial layout continues to optimize

In the first half of 2026, the Group adhered to technological innovation as its driving force and project construction as its vehicle, coordinating efforts to advance the resource utilization of solid waste, the construction of a new energy low-carbon logistics system, and the enhancement of carbon management capabilities, while continuously optimizing its green and low-carbon industrial layout. **Firstly,** the comprehensive utilization of Phosphogypsum progressed steadily. Phase I of the Anning Phosphogypsum Comprehensive Utilization Project has commenced operations. The Group has established a complete industrial chain covering Phosphogypsum treatment, aggregate production, and the output of high-end building materials products. As of June 2026, the Group cumulatively consumed over 150,000 tons of Phosphogypsum and produced over 130,000 tons of various building materials products, initially building a full-category green building materials production system for Phosphogypsum. **Secondly,** the benefits of the new energy low-carbon logistics system materialised at an accelerated pace. In the first half of the year, the Group reduced carbon dioxide emissions by approximately 4,638 tons and saved approximately RMB15 million in costs, achieving remarkable results in energy conservation, emission reduction, cost reduction, and efficiency improvement. The Group's Green Production Base Upgrading and Renovation Project in the Kunming Economic and Technological Development Zone was selected as a municipal pilot site for intelligent and orderly charging and swapping infrastructure in Kunming City. **Thirdly,** resource recycling initiatives, and cost reduction and efficiency improvement measures were synergistically advanced. The Group intensified the procurement and utilization of industrial solid wastes such as slag powder and pulverised fuel ash, and actively promoted the recycling of waste slurry water, sand and gravel separation, and the recycling and utilization of recycled aggregates. In the first half of the year, the Group cumulatively consumed approximately 92,000 tons of slag powder, approximately 101,000 tons of pulverised fuel ash, and approximately 28,000 tons of composite admixtures, achieving 100% resource recycling of waste slurry water and production solid waste. **Fourthly,** the "dual carbon" talent program was implemented. The Group has specifically trained 50 key personnel in carbon management and zero-carbon technologies, and completed carbon footprint certification and greenhouse gas emission verification for the Company and all its subsidiaries within the concrete business segment, further solidifying the systematic development of the carbon management system.

3. Deepen reform and innovation to continuously strengthen endogenous growth momentum

In the first half of 2026, the Company remained committed to addressing challenges through reform and fostering development through innovation, and systematically advanced organizational optimization, management model restructuring, and technological capability enhancement, steadily unlocking the vitality for development. **Firstly,** in line with the principles of synergy and efficiency, the Company optimized and adjusted its headquarters organizational structure, and systematically advanced the functional review and division of responsibilities and authorities, continuously improving management efficiency. Two new concrete engineering business divisions were established, and a full-process closed-loop project operation and production management system was established, accelerating the transformation of major project management from a "decentralized" to a "centralized" approach. **Secondly,** the Company organized its subsidiaries to benchmark against best practices, identify gaps, and address shortcomings. Concurrently, dedicated studies and research on high-quality development were carried out to precisely identify development bottlenecks in the grassroots units and drive corrective actions, steadily enhancing the autonomous development capabilities of grassroots units. **Thirdly,** the Group focused on tackling key technological challenges in areas such as the resource utilization of Phosphogypsum, the research and development of high-performance concrete, and the co-processing of solid waste. It participated in the formulation of provincial-level industry standards for Phosphogypsum and undertook major provincial-level science and technology projects, steadily strengthening the Group's technological innovation capabilities and influence and standing within the industry.

(IV) Business update

In the first half of 2026, the amount of newly signed sales contracts of the Group was approximately RMB1.02 billion. Among them: the amount of newly signed sales contracts for concrete business was approximately RMB880 million, and the amount of newly signed sales contracts in relation to the new products such as concrete admixtures, powders, RPC cover plates and prefabricated components, as well as the new solid waste processing business was approximately RMB140 million; the proportion of large-scale projects with contract amounts of more than RMB10 million accounted for approximately 61.7%, which mainly included the Yuanmou–Dayao (Xinjie) Highway Project, the Baoshan Wuyue Plaza (Jiajing Phase II, Plot 6) Project, the Kunming Changshui International Airport Viaduct Project by China Construction Third Engineering Bureau, and Reconstruction Project of the Gangmobiaoshan to Muga Section of National Highway 219.

III. HUMAN RESOURCES

As at June 30, 2026, we employed a total of 780 employees (June 30, 2025: 836). The table below sets out a breakdown of the number of employees by role as at June 30, 2026:

Role	**Number**
Management	123
Production management	242
Quality and technology	132
Procurement (materials supply)	70
Marketing	69
Administration and finance	138
Others	6
Total	780

The Group recruits employees in the open market, and has established a scientific, reasonable, fair and impartial remuneration management system. The remuneration of employees mainly includes fixed salary, allowances and subsidies, performance-related salary and results-linked salary. In accordance with the PRC laws, the Group also makes contributions to pension, medical insurance, unemployment insurance, work-related injury insurance, maternity insurance and housing provident fund for employees. For the six months ended June 30, 2025 and the six months ended June 30, 2026, employee benefits and labour expenses were approximately RMB66.8 million and approximately RMB67.3 million, respectively.

We consider employees to be our most valuable resource for our success. We provide training for our employees through diverse, practical, and effective training programs to enhance their overall capabilities, elevate the Company's management standards, and strengthen its competitive edge. In accordance with the Company's development goals and focusing on annual key tasks, key businesses, and talent development status, the Company continuously refines various training systems. It gradually achieves the scientific, standardized, and institutionalized management of training work. In accordance with the Employee Training and Development Management Measures, the Company focused on qualification certification training, key personnel training, fundamental management training and new employee training. In the first half of 2026, the Company successfully organized 109 eligible employees to participate in training and examinations for junior, intermediate and senior professional titles, while 150 certificates related to job positions were also obtained or renewed. A cumulative of 539 attendances were recorded for the training sessions at different levels and categories with specific focus based on the particular features of various work positions, including training on fiscal and tax management knowledge, enhancement of scientific and technological literacy, improvement of safety management capabilities, advancement of human resources capabilities, reinforcement of legal professionals' skills, and improvement of employees' overall quality and skills, etc.

During the Reporting Period, we did not have any operation interruption attributable to major labour disputes nor any complaints or claims from employees that were seriously adverse to our business. The Directors believe that we maintain a good relationship with employees and the Group did not have any major labour disputes that had a material impact on its normal business management during the Reporting Period.

IV. MATERIAL ACQUISITIONS, DISPOSALS AND INVESTMENTS

For the six months ended June 30, 2026, the Company did not make any material acquisitions or disposals of subsidiaries, associates or joint ventures. As at June 30, 2026, the Group did not hold any significant investments.

V. CHARGE ON ASSETS

As of June 30, 2026, the Group's real estate rights with a total cost of approximately RMB124.51 million (aggregate carrying amount as at June 30, 2026: approximately RMB75.58 million) were pledged to banks as collateral for borrowings of the Group.

Save as disclosed in this results announcement, as at June 30, 2026, the Group did not have any other charge on its assets.

VI. FOREIGN EXCHANGE RISK

Although the Company operates in China and collects revenues and pays costs/fees in RMB, the Company is listed on the Hong Kong Stock Exchange and raised proceeds denominated in HKD of approximately HK$366.11 million, after deducting the underwriting commission and other estimated expenses paid and payable by the Company for the global offering (the "**Global Offering**"). As at June 30, 2026, the balance of the Group's cash and bank deposits denominated in HKD amounted to approximately HK$1.14 million. As at August 26, 2026, the balance of bank deposits of the Group denominated in HKD was approximately HK$1.14 million. We settled foreign exchange in a timely manner by paying attention to exchange rate changes to reduce the effect of exchange rate fluctuations on foreign currency held by us.

VII. CONTINGENT LIABILITIES

As of June 30, 2026, the Group had a total of 161 unresolved cases arising from disputes, including disputes over accounts payable to suppliers and labour contract disputes with employees. Among these, 127 cases have been adjudicated or settled through mediation, with the Group having recognised the associated costs and expenses in accordance with PRC ASBE. The 34 pending cases involved a principal amount of approximately RMB85.1 million, with contingent liabilities arising from these pending litigations – including additional interest payable by the Group and litigation expenses – amounting to approximately RMB1.2 million.

Save as disclosed above, the Group has no other material contingent liabilities that are required to be disclosed.

VIII. MATERIAL INVESTMENT PLAN

According to the green and low-carbon development plans of the PRC and Yunnan Province, the Group has proactively advanced green and low-carbon transformation and upgrading, as well as the comprehensive utilization of solid waste resources. By taking "building a specialized Hong Kong-listed company that integrates green and low-carbon building materials with the comprehensive utilization of industrial solid waste and urban construction waste, and striving to become a nationally competitive frontrunner in the concrete and related green building materials fields" as the primary development direction, the Group aims to optimize the industrial layout and business structure, expand related new businesses and products, actively strengthen carbon asset management, promote the green and low-carbon transformation and upgrading of traditional businesses, enhance comprehensive competitiveness, and seize the development opportunities of industrial circular economy and industrial park economy in Yunnan Province.

Firstly, the Group will continue to promote the operational optimization and production capacity release of the Anning Phosphogypsum Comprehensive Utilization Project, deepen industrial chain synergy on the basis of achieving full-line production and continue to expand the range of application scenarios for Phosphogypsum products, and explore a replicable and scalable mature pathway for the resource utilization of industrial solid waste. Secondly, the Group will accelerate the development of its regional green and low-carbon industrial presence. Leveraging Yunjian Green Concrete Dehong Green Building Material Co., Ltd. *（雲建綠砼德宏綠色建材有限公司）(hereinafter referred to as "Dehong Building Material"), which was newly established, it will expedite investment and construction of the Dehong Green and Low-Carbon Building Materials Industrial Park, with the goal of completing construction and commencing operations within the year; the Group will orderly plan the project layout for the green new material production base in Zhaotong, proactively integrate into Yunnan Province's industrial circular economy and further consolidate the Group's advantageous position in the field of green and low-carbon building materials. Thirdly, the Group will continue to improve the development of its new energy low-carbon logistics system, planning and constructing a new energy logistics hub with integrated photovoltaic, storage, charging, and dispatching functions, and further increasing investment in new energy transportation equipment and charging and swapping facilities, so as to provide robust support for the efficient operation of the green and low-carbon logistics system, and promote the simultaneous enhancement of both economic and social benefits. If the aforementioned investment projects are undertaken within the next year, their source of funding will mainly come from the Company's working capital or multi-channel financing.

IX. OUTLOOK

Looking ahead, the Group still confronts multifaceted risks, including those stemming from the macro-environment and its own operational management. Among them, in terms of the macro environment, the Group's business and future growth may be influenced by the political and economic conditions, the performance of the construction industry and real estate market, as well as policies and laws and regulations in China and within Yunnan Province. With regard to our own operational management, the Group may also experience constraints on future business performance to a certain extent due to working capital liquidity issues arising from losses.

However, while analyzing the above risks and uncertainties, we are also actively paying attention to changes in the macro environment. During the "15th Five-Year" period, the housing and urban-rural development system of Yunnan Province will focus on implementing seven major projects, including urban renewal, "quality home" construction, and rural development, etc. The Green Building Management Measures of Yunnan Province, which took effect on June 1, 2026, stipulates that all new, renovated, and expanded construction projects in urban areas across the province must fully comply with green building standards, thereby further promoting the construction industry's transition toward green and low-carbon development at the institutional level. On July 24, 2026, the People's Government of Yunnan Province issued the Implementation Opinions on Promoting the Expansion and Quality Improvement of the Service Sector, which explicitly called for promoting the comprehensive utilization of bulk solid wastes such as Phosphogypsum, tailings, and metallurgical slag. Macroeconomic policies at the national level continued to be implemented with increased effectiveness, sending positive signals regarding the stabilization of the real estate market. Coupled with the in-depth implementation of urban renewal projects in Yunnan Province and the comprehensive advancement of the utilization of solid waste resources, this has created a favorable policy environment for the Group to deepen its focus on green building materials sector and participate in urban renewal and the circular economy of resources. On this basis, we will focus on the following operational management work to seize development opportunities:

(I) Focus all efforts on market expansion to strengthen the foundation for growth

We will closely align with the annual operational targets, focus on major projects and urban renewal projects, intensify our efforts to expand our market presence, accelerate the signing and implementation of a number of key projects in our pipeline, and continue to consolidate our foundation for growth. We will continue to ensure effective contract performance for projects under construction, including the Kunming Changshui International Airport Reconstruction and Expansion (Phase II), the Yuanmou-Dayao Highway, and Deqin County Relocation. Leveraging our strong reputation for contract fulfillment, we will pursue follow-on business opportunities arising from ongoing projects, continuously increase the contract amount of projects under construction, and continuously strengthen customer loyalty and deepen customer engagement. We will continue to refine our integrated business management model, consolidate and share internal resources, break down regional and product-market barriers, and achieve mutual promotion and coordinated development across all business segments. We will strengthen our expansion into markets outside the province, and drive products such as admixtures, coatings, and green building materials to be the first to enter neighboring provincial markets, thereby opening up broader market opportunities.

(II) Make every effort to foster growth momentum and build a new development pattern

We will spare no effort to ensure that the Anning Phosphogypsum Comprehensive Utilization Project achieves full-scale production and reaches its intended efficiency. We will increase investment in research and development and intensify efforts to overcome technical challenges to ensure stable operation and large-scale production of the production lines. At the same time, we will accelerate the development of standards for Phosphogypsum artificial stone and engineering materials to provide technical support for industrial-scale promotion. We will make every effort to advance the commencement of construction of the Dehong Green and Low-Carbon Building Material Industrial Park and ensure its commissioning within the year, while accelerating the establishment and project planning of the Zhaotong new material production base to foster a regional development pattern supported by multiple hubs. We will intensify marketing efforts, fully implement a proactive business development approach by engaging in early-stage client communication and taking the initiative, strengthen the promotion and introduction of green building materials and recycled prefabricated components, accelerate the green building materials industrial layout of our subsidiaries, continue to capture incremental market opportunities in new business segments, and accelerate the cultivation of new growth drivers.

(III) Strive to deepen reform and innovation and stimulate endogenous momentum

The Company will continue to deepen reform and innovation, comprehensively advance core tasks such as organizational restructuring, technology-driven innovation, and the enhancement of grassroots-level governance, accelerate the full implementation of the Company's organizational restructuring, effectively improve the headquarters' management and service capabilities as well as value creation capabilities, and drive management efficiency through reform. Adhering to a focus on tackling key technological innovation challenges, we will continue to deepen our expertise in core technological fields such as green and low-carbon development and solid waste resource recycling. We will integrate the entire chain—from scientific research and innovation to demonstration applications and market promotion—to effectively transform our technological R&D strengths into advantages in stable production capacity and core market competitiveness, thereby accelerating the commercialization of scientific research achievements. We will deepen reforms in grassroots governance, guiding grassroots units to address shortcomings, strengthen weak areas, and promote standardization, thereby comprehensively enhancing their ability to operate autonomously and in compliance with regulations, and effectively stimulating endogenous momentum.

OTHER INFORMATION

I. PROCEEDS FROM THE GLOBAL OFFERING

On October 31, 2019, the net proceeds from the Global Offering of the Company were approximately HK$366.11 million (equivalent to approximately RMB329.50 million). The Company did not issue any equity securities thereafter. With regard to the proceeds from the Global Offering, the Board adjusted the use and amount from time to time in accordance with the national and industry policies, the Company's development strategy and development progress of projects, and made announcements in accordance with the Hong Kong Listing Rules.

During the Reporting Period, the Board did not make changes to the use of the proceeds from the Global Offering available for further decision-making, and the actual usage of the proceeds from the Global Offering during the Reporting Period is as follows:

Table of usage of the proceeds from the Global Offering as of June 30, 2026

Unit: RMB million

No.	Usage of Proceeds	Unutilized amount as at December 31, 2025	Utilized amount during the Reporting Period	Unutilized amount as at June 30, 2026
1	Improvement, integration and expansion of the existing concrete production lines	0	0	0
2	Construction of new product manufacturing base	0	0	0
3	Acquisition and consolidation of aggregate mining resources and investments in related fixed assets	0	0	0
4	Technical renovation of concrete production and related equipment purchases and investments in fixed assets	0	0	0
5	Research and development of new products and new technologies and related equipment purchases and investments in fixed assets	0	0	0
6	Upgrading and renovation of green and low-carbon concrete and purchases of new energy equipment and facilities, new concrete production lines and related equipment	0	0	0
7	Upgrading and renovation of green and low-carbon concrete, purchases of new energy equipment and facilities, new concrete production lines and related equipment and equity investment	0	0	0
8	Working capital and general corporate purposes	28.32	3.11	25.21
	Total	28.32	3.11	25.21

As at the date of this results announcement: under "Working capital and general corporate purposes", the Company's unutilized amount is approximately RMB25.21 million. Taking into account the information currently available, the Board reasonably estimates that all the unutilized proceeds from the Global Offering are expected to be utilized by the end of 2027.

II. INTERIM DIVIDEND

The Board does not recommend paying any interim dividend for the six months ended June 30, 2026.

III. CORPORATE GOVERNANCE CODE

The Company has been committed to improving corporate governance standards since its establishment. It has established a modern corporate governance structure comprising the shareholders' meeting, the Board and the senior management of the Company that effectively exercise checks and balances on each other and operate independently, which emphasizes the corporate governance principles of transparency, accountability and safeguarding the rights and interests of all Shareholders.

For the six months ended June 30, 2026, the Company has complied with the principles and all applicable code provisions as set out in Part 2 of the Corporate Governance Code.

IV. MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code as its code of conduct for all Directors and relevant employees of the Company (as defined in the Corporate Governance Code) to conduct transactions of the Company's securities. After specific inquiries made to all Directors, all Directors have confirmed that they have continued to strictly comply with the required standards set out in the Model Code for the six months ended June 30, 2026.

V. PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities for the six months ended June 30, 2026 (including the sale of any treasury shares (as defined under the Hong Kong Listing Rules)). The Company did not have any treasury shares on June 30, 2026.

VI. AUDIT AND RISK COMMITTEE

The Audit and Risk Committee consists of at least three members, according to the Work Rules for the Audit and Risk Committee of the Board of Directors. As at the date of this results announcement, the Audit and Risk Committee consisted of five members, including three independent non-executive Directors, namely Mr. Li Hongkun (chairman), Mr. Wong Kai Yan Thomas and Mr. Yu Dingming, and two non-executive Directors, namely Ms. Yang Jia and Mr. Jin Ming.

The Audit and Risk Committee has adopted terms of reference that comply with the requirements of the Corporate Governance Code. The Audit and Risk Committee has reviewed the Group's unaudited consolidated interim results for the six months ended June 30, 2026.

VII. EVENTS AFTER THE REPORTING PERIOD

As of the date of this results announcement, the events required to be disclosed by the Group after the Reporting Period are as follows:

On July 16, 2026, Mr. Wang Junjie was appointed as the chief engineer of the Company. For details, please refer to the announcement dated July 16, 2026 published by the Company on the websites of the Hong Kong Stock Exchange and the Company.

On July 27, 2026, Dehong Building Material completed the industrial and commercial registration procedures and was formally established, with a registered capital of RMB25 million, of which the Company holds 95% equity interest and Polymer Company holds the remaining 5%, resulting in the Company directly and indirectly holding 100% of its equity interests.

VIII. PUBLICATION OF THE 2026 INTERIM RESULTS ANNOUNCEMENT AND THE 2026 INTERIM REPORT ON THE WEBSITES OF THE HONG KONG STOCK EXCHANGE AND THE COMPANY

This interim results announcement is published on the websites of the Hong Kong Stock Exchange (www.hkexnews.hk) and the Company (www.ynhnt.com), respectively. The 2026 interim report containing all the information required under the Hong Kong Listing Rules will be published on the websites of the Hong Kong Stock Exchange and the Company, respectively, in due course.

DEFINITIONS

In this results announcement, unless the context otherwise requires, the following terms shall have the meanings set forth below:

"15th Five-Year"	the five-year period from 2026 to 2030 for the implementation of the "15th Five-Year Plan" of the People's Republic of China
"Anning Phosphogypsum Comprehensive Utilization Project"	Anning Green Building Materials Industrial Park Project with annual treatment of 1 million tons of Phosphogypsum + 1 million tons of industrial solid waste
"Articles of Association"	the Articles of Association of YCIH Green High-Performance Concrete Company Limited (as amended, modified or otherwise supplemented from time to time)
"Baoshan Building Material"	YCIH Baoshan Yongchang Building Material Co., Ltd.* (雲南建投保山永昌建材有限公司), a subsidiary of our Company
"Board"	the board of Directors of our Company
"China", "Chinese Mainland", "PRC" or "State"	the People's Republic of China, for the purpose of this results announcement only, excluding Hong Kong, Macau Special Administrative Region and Taiwan region of the PRC
"Company" or "our Company"	YCIH Green High-Performance Concrete Company Limited (雲南建投綠色高性能混凝土股份有限公司), a joint stock company incorporated in the PRC with limited liability, whose H shares are listed on the Main Board of the Hong Kong Stock Exchange
"Corporate Governance Code"	the Corporate Governance Code as set out in Appendix C1 to the Hong Kong Listing Rules
"Director(s)"	the director(s) of our Company
"Domestic Share(s)"	ordinary share(s) in the share capital of the Company, with a nominal value of RMB1.00 each, which are subscribed for and paid up in RMB
"Group" or "our" or "we" or "us"	the Company and its subsidiaries
"H Share(s)"	overseas listed foreign invested ordinary share(s) in the share capital of our Company, with a nominal value of RMB1.00 each, which are listed and traded on the Main Board of the Hong Kong Stock Exchange

"High-tech Enterprise(s)"	the knowledge-intensive and technology-intensive economic entity(ies) that continuously carry(ies) out research and development as well as transformation of technological achievements under the High and New Technology Areas with Key State Support issued by the State and form(s) independent core intellectual property rights and carry(ies) out business activities on this basis
"HKD" or "HK$"	Hong Kong dollars and Hong Kong cents, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Hong Kong Listing Rules"	the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange, as amended, supplemented or otherwise modified from time to time
"Hong Kong Stock Exchange"	The Stock Exchange of Hong Kong Limited
"independent third party(ies)"	person(s) or entity(ies) which, to the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, is (are) not considered as connected person(s) of the Company under the Hong Kong Listing Rules
"Listing"	the listing of the H Shares on the Main Board of the Hong Kong Stock Exchange
"m^3"	cubic meter
"Main Board"	the stock market (excluding the option market) operated by the Hong Kong Stock Exchange which is independent from and operated in parallel with GEM of the Hong Kong Stock Exchange
"Model Code"	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Hong Kong Listing Rules
"Phosphogypsum"	the by-product generated during the wet process phosphoric acid production, the main component of which is calcium sulfate dihydrate ($CaSO_4 \cdot 2H_2O$), containing environmentally harmful impurities such as phosphoric acid and fluorides. It is classified as Class II industrial solid waste of general industrial solid waste, of which treatment and resource utilization are closely related to the sustainable development of the phosphorus chemical industry and the ecological environment protection of the Yangtze River Basin

"Polymer Company"	YCIH Polymer Material Co., Ltd.* (雲南建投高分子材料有限公司), a subsidiary of our Company
"PRC ASBE"	The Accounting Standards for Business Enterprises promulgated by the Ministry of Finance of the PRC and the application guidance, interpretations and other related requirements subsequently issued
"Qujing Building Material"	YCIH Qujing Building Material Co., Ltd.* (雲南建投曲靖建材有限公司), a subsidiary of our Company
"Reporting Period"	the six months ended June 30, 2026
"RMB"	Renminbi, the lawful currency of China
"Share(s)"	the ordinary share(s) in the share capital of the Company with a nominal value of RMB1.00 each, comprising H Shares and Domestic Shares
"Shareholder(s)"	holder(s) of the Share(s)
"subsidiary(ies)"	has the meaning ascribed to it under the Hong Kong Listing Rules
"treasury shares"	has the meaning ascribed to it under the Hong Kong Listing Rules
"YCIH"	Yunnan Construction and Investment Holding Group Co., Ltd.* (雲南省建設投資控股集團有限公司), a controlling shareholder of our Company under the meaning of the Hong Kong Listing Rules
"Yunnan Province"	Yunnan Province, China
"Yuxi Building Material"	YCIH Yuxi Building Material Co., Ltd.* (雲南建投玉溪建材有限公司), a subsidiary of our Company
"%"	per cent

Certain amounts and percentage figures included in this results announcement have been subject to rounding. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures preceding them. Any discrepancies in any table or chart between the total shown and the sum of the amounts listed are due to rounding.

By Order of the Board
YCIH Green High-Performance Concrete Company Limited
Li Zhangjian
Chairman

Kunming, China, August 26, 2026

As at the date of this announcement, the Board comprises Mr. Li Zhangjian, Mr. Zhang Long, Mr. Liu Zhen and Ms. Wang Fang (employee Director) as executive Directors; Ms. Yang Jia and Mr. Jin Ming as non-executive Directors; and Mr. Wong Kai Yan Thomas, Mr. Yu Dingming and Mr. Li Hongkun as independent non-executive Directors.

* *For identification purpose only*